LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **OCTOBER 2, 2007**, upon the application of **NELSON ENERGY, INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Upper Cotton Valley Formation**, **Reservoir A**, and the Lower Cotton Valley Formation, Reservoir A, in the Terryville Field, Claiborne and Lincoln Parishes, Louisiana.

- 1. To authorize Applicant to drill, designate and utilize seven (7) additional alternate unit wells for UCV RA SUY and LCV RA SUY at the locations shown on the plats submitted with the application.
- 2. To approve an exception to the spacing provisions of the Office of Conservation Order No. 370-B Series of Orders for the location of any of the proposed alternate unit wells, as shown on the plats submitted with the application, which does not comply with these spacing provisions.
- 3. To find that each of the proposed wells is necessary to efficiently and economically drain a portion of the Upper Cotton Valley Formation, Reservoir A, and the Lower Cotton Valley Formation, Reservoir A, underlying these units which cannot be efficiently and economically drained by any existing well within such units.
- 4. To permit the operator of UCV RA SUY and LCV RA SUY to produce the allowables assigned to these units from either the substitute unit well, any alternate unit well or from any combination of such wells, at the option of the operator.
- 5. To consider such other matters as may be pertinent.

The Upper Cotton Valley Formation, Reservoir A, was defined in Order No. 370-B-7, effective February 18, 1982.

The Lower Cotton Valley Formation, Reservoir A, was defined in Order No. 370-B-6, effective February 18, 1982.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA

9/6/07;9/11/07

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IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN FIVE (5) WORKING DAYS OF THE HEARING DATE.